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Central Intelligence Agency



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DIRECTORATE OF INTELLIGENCE

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The Political Role of the Yugoslav Military [redacted]

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SUMMARY

The Yugoslav Peoples Army (YPA), the national institution most resistant to divisions prevailing elsewhere in the society, is being drawn into an increased political role. The ineffectiveness of the Yugoslav civilian collective leadership has been evident for years, but the political emergence of the YPA began only a year ago when the military hierarchy began asserting its own critical views [redacted]

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[redacted] Later, the Army publicly supported calls for a purge of leaders whose recalcitrant pursuit of regional and special interests prevent purposeful action at the federal level. [redacted]

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The generals still hesitate to enforce their latent political authority. Heavy constraints--mainly based on the fact that the Army's popularly accepted role in the system is limited--hold any "Bonapartist" tendencies in check. The Army also knows that it cannot exercise its will without exposing vulnerabilities to potential opponents.

This memorandum was prepared by [redacted] East European Division, Office of European Analysis. It was coordinated with the Office of Soviet Analysis. Comments and questions are welcome and should be addressed to [redacted] Chief, East European Division, Office of European Analysis [redacted]

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- The aging YPA elite can be forced into retirement, if the civilians choose and can make it stick. Some civilians already have expressed resentment over defense expenditures and unease about the military's political intentions.
- Aside from homilies on patriotism and discipline, the generals have ventured no solutions to Yugoslavia's deep-seated economic and political problems and, thus, lack broad pragmatic appeal as an alternative source of leadership.
- The military must expend considerable effort to keep ethnic strains and political rivalries from infecting its own rank and file. [REDACTED]

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Since the end of the year, the generals have muted their criticisms. But we think that their heightened political activity last year increased their potential influence and that they are learning to be more adroit. As frustration with the collective leadership grows, the YPA is likely to develop closer affiliation with civilian leaders distasteful of innovation and inclined toward recentralization. [REDACTED]

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If economic deterioration or other events further discredit the leadership, the YPA might back a new hardline civilian coalition. Moreover, in the less likely event that the incumbent civilian authorities procrastinate in the face of an imminent and clear threat to the stability of the Federation, the YPA would have no real choice but to act decisively--with force, and perhaps on its own, without waiting for an invitation from the civilian leadership. If the Army were forced to take such drastic measures, it probably would avoid assuming overt national leadership responsibilities and prefer to operate behind a new ruling civilian clique. But the generals would retain dominant influence on decisions until--or if--conditions allowed a return to their strictly military pursuits. [REDACTED]

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For the West, the emergence of a hardline, suppressive regime could well mean a cooling of relations. Western criticism would probably meet truculent rejection, and Belgrade would prove more difficult to deal with in financial

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negotiations. Yugoslavia would also be more inclined toward radical nonaligned causes. Moscow might take encouragement from such developments, but we do not believe the Yugoslav military, or a civilian regime it supported, would wander from the Titoist course of determined independence. And eventually, hardliners in Belgrade, faced with the need for economic recovery, would have to seek expanded ties with the West. [REDACTED]

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Introduction

Yugoslavia's post-Tito political elite has been unable to cope effectively with the country's serious economic problems or to ease ethnic strains in the fractious multinational state. As political and economic cleavages have deepened, the Yugoslav People's Army (YPA) has emerged as the national institution most resistant to the divisions prevailing in society. Often characterized by others as the only "All-Yugoslav" institution, the YPA itself is now stressing its legal political obligation to preserve national unity in time of crisis. [REDACTED]

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The military has been a loyal servant of the Titoist system. More responsive, disciplined, and obedient to hierarchical control than other Yugoslav institutions, the YPA was a trump card against Tito's opponents in post-war political crises. The Army accordingly participated in resolving national problems--e.g., the Croatian crisis of the early 1970s--while keeping within its constitutionally defined role and still supporting Tito's efforts to strengthen the federal system. If, however, Tito's successors fail to restore cohesive leadership, we believe the military might intervene in proportions unprecedented in post-war politics. [REDACTED]

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This assessment attempts to project how the attitudes of the military may affect Yugoslavia's political development in the next several years. Judgments on the motives and likely behavior of an insular officer corps that keeps itself isolated from outsiders are difficult to formulate. Our assessment relies on second-hand evaluations of the attitudes of the most senior officers and on our own and others' observations of the military's behavior. [REDACTED]

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Out of the Shadows

Several recent developments indicate that Yugoslavia's military leaders are considering a more active role to honor Tito's express wish that they protect the country from internal as well as foreign threats. At the request of the civilian government, they have drawn up martial law contingency plans. [REDACTED]

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[REDACTED] The generals then disassociated the military establishment from several key policy decisions of the civilian leadership including adoption of the Western financial rescue package in 1983, and became increasingly critical in public of the civilian government. [REDACTED]

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The military's growing impatience with the civilian leadership became public shortly afterward. In a speech before a plenum of the party Central Committee on 25 July 1983, Mamula:

- Invoked the military's priority interest in internal security, arguing that the prolonged economic crisis was increasing Yugoslavia's--and the Army's--vulnerability to domestic and foreign subversion.
- Asserted that the military was a well-disciplined component of the political system, not a force standing apart.
- Suggested the generals' readiness to play a larger role, "at the disposal of the working class, if the need again arises."
- Urged that the party purge foot-draggers and dissidents from its ranks.

Notably, Mamula did not pledge support to his collective civilian commanders-in-chief. We believe he did this deliberately to distance the military from the civilian leadership and from the consequences of their policies, leaving the Army free to act on behalf of "higher" interests of the party, the people, and the Federation. [REDACTED]

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Subsequently, senior officers made an unprecedented number of speeches similarly critical of political leaders. Most of the key military hierarchy--including Mamula's deputy, General Petkovski, Chief of Staff General Gracanin, Navy Commander Admiral Vilovic, and General Cuic, who heads the party organization in the military and is ex officio member of the party presidium--have [REDACTED] attacked the regime's

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inability to enforce political discipline. [REDACTED]

The Threats They See

Although most Yugoslavs worry that ethnic and regional rivalries could explode in a major crisis, the generals must be especially concerned lest centrifugal forces undermine the country's military preparedness. In addition, they fear that unresolved economic problems will increasingly undermine military appropriations. [REDACTED]

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A Stake in Domestic Stability

We believe that the Yugoslav military is genuinely concerned that division and irresolution within the civilian leadership is weakening the tenuous cohesion of the country's diverse nationalities and minority groups. And, to the extent that the military leadership sees this divisiveness spilling over into the YPA's own ranks, it must fear that the Army's defensive capabilities are being undercut and the national security threatened. The generals almost certainly conclude, therefore, that a serious upsurge in domestic unrest would leave them little choice but to act rapidly and decisively to restore order. [REDACTED]

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The military leadership has more than a symbolic stake in maintaining Yugoslavia's "Brotherhood and Unity," because its effective functioning requires domestic unity and active public support of the regime. Yugoslav strategy depends on combined defense by the regular armed forces--250,000 in peacetime--and a mobilized citizenry--three million strong--as the core of its deterrent capability. To the extent that public morale sags and regional loyalties supplant commitment to the Yugoslav federation, the Yugoslav defense establishment suffers. For example, if there were anti-regime violence or inter-ethnic bloodshed, rebellious citizens conceivably might take over leadership of local Territorial Defense units, which have weapons available in local armories. (See Annex I, The Lessons of Kosovo) [REDACTED]

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We believe the military pays special attention to key regions in the country where popular unrest might be especially harmful to their defensive strategy. The most important is Bosnia-Herzegovina. The mountain stronghold of Tito's partisans in World War II, the republic is still a major military center and, by common consensus of observers, would again be the "last ditch" locale for resisting any invasion force. But the ethnic mix and bloody legacy of the region--which saw atrocities among Muslims, Serbs, and Croats during the last war--make for a potentially volatile situation. (The leaders in Sarajevo, who

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keep ethnic tensions capped by harsh repression, worked closely with the Army in 1971 when they joined forces in urging Tito to purge the Croat party elite.) [redacted]

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The generals also fear that the regular army itself is being infected--and might be effectively neutralized--by broadening influences of "internal and external enemies" who are attempting to sow dissent in the ranks and to undermine the population's confidence in the YPA's ethnic neutrality. Evidence of such infection, judging from a variety of sources including press articles, is that since the Albanian nationalist riots in 1981, Albanian recruits have more frequently been charged in military tribunals for serious breaches--including sabotage--than those of any other nationality. [redacted]

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Budget Concerns

Getting what it considers an adequate share of Yugoslavia's declining budget funds is a further cause of military distress with the country's civilian leadership. Although the generals and their civilian counterparts play hardball when budget priorities are at stake, the military so far have won enough battles that the process by itself has not been sufficient motive for overthrowing the system. But, there undoubtedly is concern that modernization plans could be threatened if the economic crisis is not resolved soon. [redacted]

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With the economy under severe pressure, the generals in the past two years have seen unprecedented attacks on the defense budget in the federal assembly and have had to fight ever harder to justify their budget demands. In the spring of 1983, for example, following IMF insistence on federal budget cuts, Finance Secretary Florjancic ordered a pay freeze for active duty officers and postponed a 12-percent raise for military retirees. Just this March the Cabinet proposed other economies, including an end to automatic military promotions, the introduction of merit pay, and linkages to civil service wage scales. [redacted]

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The defense budget over the past five years in fact has kept pace with inflation--barely--but it has fallen considerably short of promised levels. [redacted]

[redacted] the government:

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- permitted the YPA to purchase some Western-made hardware;
- expanded the YPA's control of hard currency earnings from exports of Yugoslav military products. The Army later claimed that its earnings through exports fully covered its import requirements--a significant improvement over 1982 when only 70 percent of the foreign exchange needed for imports came from arms sales abroad. [redacted]

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Budget difficulties have inevitably drawn the military into political infighting in Belgrade. [redacted] following the squabbles in 1983 over the pay freeze and other economies, the generals criticized the finance secretary and helped Premier Planinc force Florjancic's retirement last December. To the faction-ridden civilian leadership looking for ways to put the country's economy on a sound footing, the lesson of recent years is that the YPA is loath to accept its share of economies. And, perhaps more importantly for the future, the YPA can be both a source of support, as well as a powerful opponent, for factional infighting. [redacted]

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Restraints

Despite their growing concern over the continued weakness of the collective civilian leadership, the Yugoslav generals have not moved impetuously into the political arena. After public criticisms in late 1983, the generals refrained from further public comment in early 1984. We think they suffer from indecision over their proper role and from fear that overstepping their normal bounds might threaten the YPA's internal cohesion and expose vulnerabilities. [redacted]

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The possibility of broad popular disapproval--and even resistance in some quarters--is probably the strongest inhibition in the generals' minds against a dominant military role in politics. The military establishment has worked hard to erase the dark image left by its predecessors. The Royal Serbian Army frequently played an adventurist role in politics with tragic consequences. (Serb officers of the Black Hand Society assassinated the last of the Obrenovic Kings in 1905 and sponsored the attack on Arch Duke Franz Ferdinand in 1914 which began World War I.) The pre-war Yugoslav Royal Army suppressed non-Serb minorities only to see some welcome the Nazi invasion brought on by an Army coup d'etat. [redacted]

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Many non-Serb Yugoslavs, therefore, are conditioned to distrust generals in politics, and they openly express anxiety about military intervention. Vladimir Dedijer, Tito's official biographer, claims in his newest book that in 1946 even Tito said: "If I ruled a nation of intellectuals, I'd never wear a

uniform again." [redacted]

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Because many civilians tend to distrust the military, the YPA has had to accept certain safeguards designed to impede generals' cabals.

- Since the late 1960s, all officers by law are promoted to field grade according to a proportional ethnic quota. This has helped reduce the dominance of Serb and Montenegrin generals.*
- About 80 percent of all recruits serve outside their home regions. (By comparison, most civilians rarely work outside their home republics.)
- The Army's structure in many ways helps to isolate it from regional power centers. Several of the ground forces command regions crosscut or subsume many territorial boundaries, thereby reducing the chance of geographically aligning the YPA commands with inter-regional squabbles. In a similar manner, the army's party organization--which includes nearly all officers and most NCOs--is the only component of the LCY Central Committee organized on a cross-territorial basis. The Party in the Army answers directly to the LCY Presidency, rather than through regional parties.**

Additionally, because of the Army's uniquely hierarchical structure and command-response discipline, the generals are isolated from the mainstream of a political system that operates on compromise, consensus, and collectivity. In the end, we believe the generals fear that they cannot apply their distinct management style to solving Yugoslavia's problems without upsetting Tito's social compact, shattering the constitutional crockery, and having to assume responsibility themselves for putting it all back together again. [redacted]

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A sense of self-restraint may also make the generals reluctant to get deeply embroiled in politics. [redacted]

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* [redacted] We strongly suspect from evidence in the press, that several key minorities--Slovenes, Croats, and Albanians--avoid military careers for both economic and political reasons. [redacted]

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**The "party commissar" system ended in the YPA just after the war. Since then, commanders have used party cells to enhance, rather than ratify, their authority. [redacted]

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[REDACTED]

We also believe that the YPA's general officers must incline toward caution in dealing with their civilian superiors because nearly all of them--about 200 men--are vulnerable to forced retirement. The State Presidency, which by law "appoints and dismisses" generals, has allowed mandatory retirement ages to slip in order to permit the partisan era generals to extend their active service. A major rejuvenation of the senior officer corps is therefore long past due.* Since mid-grade officers, trapped in holding positions, presumably would welcome opportunities to advance, conflicting career aspirations could give the civilians considerable leverage in checking the power of Tito's old guard in the YPA. [REDACTED]

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The Generals and the Outside World

Should the military decide on some sort of more active political involvement, we would expect no change in Yugoslav nonaligned status. In peacetime, the generals support this foreign policy because their non-bloc position permits maximum flexibility in dealing with any foreign partners while avoiding treaty entanglements. The YPA, therefore is able to buy arms from both East and West and to sell extensively to the Third World. [REDACTED]

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The generals undoubtedly realize that a strictly nonaligned foreign policy offers little as a security guarantee. But their historical experience must evoke cynicism about the reliability of alliances, once hostilities begin. And the generals appear to have accepted the argument that flexibility best serves Yugoslavia's security interests, notwithstanding nonalignment's untidiness. [REDACTED]

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[REDACTED]

* [REDACTED] in 1980, the partisan generation occupied all 35 "elite" command positions studied. They also had restricted promotions through the next rung of 60 slots to their same club. Announced retirement rates have been slow since 1981. Although Defense Minister Mamula claims that the changeover of the postwar generation is almost complete, to our knowledge, there is no general officer now holding a key position who is not a "partisan." [REDACTED]

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The YPA and the USSR

The Yugoslav military's stance toward the USSR is contradictory in many ways. Yugoslav conviction that the Warsaw Pact is the principal military threat in the region is the most important underlying factor in defense policy. Yet, Belgrade permits a measure of dependency on cheap Soviet weapons and it also grants the USSR important concessions, such as overflight rights to Third World hotspots. We believe, however, the record convincingly demonstrates that Yugoslav military is both vigilant against Soviet meddling in Yugoslavia and wary of compromising the country's independence. [redacted]

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Moscow's position as Yugoslavia's primary supplier of imported arms--see Annex II--makes the Yugoslav generals cautious about giving gratuitous offense to the USSR and its military establishment. Moreover, coinciding policy interests on some crisis developments in the Third World--like support for the Arab cause--have opened the way to unusually extensive cooperation.

- Yugoslav arms shipment facilities, airspace, and even a few of its airfields have been used in Soviet resupply efforts.

And under a 1974 naval repair agreement, the Yugoslav Navy permits four Soviet warships, stripped of weapons and a full crew, to undergo repairs in Yugoslav yards at one time. [redacted]

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There are clear limits to Yugoslav cooperation. During the Brezhnev era, Tito, with his generals' firm support, resisted repeated Soviet requests for permanent basing rights. More important, the Yugoslav military has always responded massively to every threat of Soviet meddling.

- During the Warsaw Pact invasion of Czechoslovakia in 1968, the YPA mobilized and strongly denounced the Soviet action. Afterward they adopted the All Peoples Defense strategy as a means of deterring a similar Soviet move against Yugoslavia.
- In May 1980 when Tito died, the YPA without fanfare ringed the capital and its airport with tanks and its best troops. We believe this was a quiet signal of readiness to defend against any surprise move from the East patterned on the Soviet takeovers in Prague and Kabul.
- The YPA has purged suspected pro-Soviets from its own ranks three times--at the break with Stalin in 1948, after the invasion of Czechoslovakia in 1968, and again in 1974 when a pro-Soviet splinter party was discovered in Yugoslavia. After the last purge, the military

investigators pronounced the YPA cleansed of all Soviet sympathizers. [redacted]

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The West

The Yugoslav military's attitudes toward the West reflect a similar ambivalence. The generals want strong relations with the West to counter the East's influences, but they also worry about the pull of Western ideas that they do not understand or trust. Judging by their public comments, most generals are deeply suspicious of Western cultural and political influences.

- Military leaders frequently warn the rank and file to avoid "anti-Yugoslav and hostile ideas in literatures, music, films, the fine arts and theater."
- A trend toward debunking the "Partisan myth" in historical works, novels, and films sharpens the old guard's animosity toward any reforms toward a more open society.

More recently several key officials--including Mamula--have criticized Western financial institutions--like the IMF--for plotting to force unwanted system reforms on Yugoslavia. [redacted]

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Outlook

We believe the YPA, perhaps even reluctantly, will accrue political influence--more than it ever had in the Tito era--and the YPA may be pressed to use it in the cause of more effective government. In our view, it is most likely to support tougher and more pragmatic civilian leaders in a program of cautious recentralization, tighter discipline, and increased vigilance against encroaching foreign influences. And in the less likely event of a threat to the federation, the YPA would use all its means--including armed force--to restore order behind a harsher civilian regime in which the generals would have decisive influence. [redacted]

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For the short term--the next six months or so--we see the restraints on the generals offsetting any inclinations to assert vigorously their political influence. Because the YPA's first experience in exerting public political pressure last year had mixed results, military leaders in fact are likely to be tentative and experimental in trying to nudge Yugoslavia's special interest groups towards common goals. They will, in addition, be sensitive about taking actions that might revive the prewar specter of the military as Serbia's "gendarmerie", or otherwise provoke opposition to the Army. [redacted]

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No matter what its hesitations, we believe the military hierarchy would exert themselves in the event that civilian

leaders again deadlock on key policy matters or underestimate another internal security crisis--as they did in Kosovo in 1981. Events that could trigger YPA activism include:

- increasingly divisive policy fights, especially between Croats and Serbs, the two largest and most antagonistic ethnic groups.
- rising unrest in key strategic regions, especially in Bosnia-Hercegovina.
- a perceived failure of the federal leadership to effectively rebuff outsiders' efforts to take advantage of Yugoslavia's weaknesses.

The generals in such circumstances might demand purges of inept and indecisive civilians to reinforce other demands, this time naming names. [redacted]

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In any event, the YPA's influence is likely to grow and not only by default of collective leadership. In time, we expect the generals to become more adroit at political in-fighting. And, they already have substantial untapped reserves of support.

- Many, if not most, Yugoslavs are disappointed in the collective leadership--and some with the system itself.
- Hardliners are frustrated by the party's vain efforts to muzzle academics and media critics.
- Low level managers and other functionaries in the self-management systems, especially in debt ridden industries and the underdeveloped south, fear the market reforms Belgrade is considering.

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The YPA's reputation for discipline, order, and hierarchical values, makes it a magnet for such constituencies. [redacted]

In the event of a major shock to the current regime--say, a spate of serious civil unrest--the collective leadership could not ignore the demands of YPA-supported hardliners. Such a faction could include Nikola Ljubicic, Serbia's President; Branko Mikulic, his counterpart in Bosnia-Hercegovina; Dusan Dragosavac Croatia's representative on the LCY Presidium, and Lazar Kolisevski, Macedonia's representative on the State Presidency. And, to the extent that the YPA and conservative civilians would press in concert for recentralization, we would expect them to:

- stress majority voting at the expense of strict consensus and collectivity. (Without such reforms, few orderly changes are possible.)
- declare a hiatus in debates on market reforms which the

generals think threaten "the achievements of the revolution."

- emphasize disciplined pursuit of common goals--with particular stress on muzzling the media.

Resignations and replacements of liberals and reformers, in turn, would change the character of the leadership, which would become more narrowly based but would also be more effective in policy follow-through. We would expect hardliners backed by the Army to be harsh in suppressing ethnic nationalism and truculent at any Western criticism, but also wary of Soviet blandishments.

Martial Law

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A major crisis threatening the very existence of the federation, which seems unlikely soon given the gradual tempo of decline in the post-Tito era, would probably cause the YPA to invoke martial law. Based on our readings of the Polish events and the specific character of Yugoslav problems we expect the signals of early preparations might include:

- Intensifying criticism of the domestic situation by senior YPA spokesmen.
- Real or rumored YPA ultimatums to civilian leaders.
- Restrictions of troops to caserns and increased levels of political training.
- Upgrading of military communications networks in key regional commands, particularly in Belgrade, Sarajevo, and Zagreb.
- Intensified liaison and joint operations among Military Counterintelligence, the Ministry of Interior, federal militia battalions, and reinforced civilian police.
- Tightened YPA security controls at Territorial Defense arsenals.

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Last stage preparations might include:

- YPA maneuvers throughout the country accompanied by mid-level alerts.
- Extension of active duty for troops about to be demobilized.
- Mobilization of the best equipped and trained Territorial Defense units and deployment out of their home regions.

- Roundups of dissidents.
- Imposition of YPA censorship on the media.
- Supervisory controls on the courts, police and key economic activities.

We suspect the YPA would install hardline civilians in the State and Party Presidencies to give the new regime an appearance of continuity and legitimacy. [REDACTED]

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Even a martial law regime would flounder if ethnic rivalries undermined the YPA's internal command authority. We believe the YPA leadership would use all of its unique assets to keep the military united and effective in troubled times.

- Rigorous discipline to control the most troublesome elements would limit the spread of dissidence.
- The ability to "quarantine" units in their barracks or preoccupy them in field exercises could help isolate the troops from pernicious outside contacts.

But such measures cannot succeed for long, especially if the troops must play an active role in maintaining order. Military cohesion thus ultimately depends on the leadership and reliability of the middle-and lower-ranking professional officers and NCOs. The YPA elite must communicate its common institutional interests and sense of duty through these key personnel to a conscript army torn by conflicting loyalties to hold the YPA together. However, we do not know enough about the political attitudes and reliability of the middle and lower ranks confidently to predict their reliability in a crisis. [REDACTED]

Implications for US Policy

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To the extent that the Yugoslav government concedes more influence to the YPA, Belgrade could well be more difficult for the West to deal with. Because some military leaders--like Mamula and his predecessor, General Ljubovic--resent Western economic leverage on their financially troubled country, US-led efforts to provide aid to Yugoslavia would meet even more suspicion. Some key military leaders might support the so-called "Black Option" contingency plan--a scheme also debated in the press--under which Yugoslavia would cut ties with the West, perhaps repudiate its foreign debt, and attempt to survive on its own resources. The YPA, with its strong interests in arms sales to the Third World, might also be more inclined to support radical nonaligned positions. [REDACTED]

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In the less likely event of a martial law regime, strains with the West might be even more serious. In the first phase of

a military-assisted crackdown, arrests and repression would conflict with Western human rights policies. Isolationist tendencies, coupled with demands for unilateral debt repudiation, might predominate in Belgrade. Because even hardline Yugoslavs have bitter memories of the USSR dating from the 1948 Tito-Stalin schism, it does not necessarily follow that a shift away from the West would lead to a pro-Soviet Yugoslavia. An explicitly pro-Soviet tilt would deprive any Yugoslav regime of popular legitimacy and invite violent challenge. Moreover, though Moscow could offer some support to a martial law regime, the Soviets could not hope to replace the West's vital role in the Yugoslav economy. [REDACTED]

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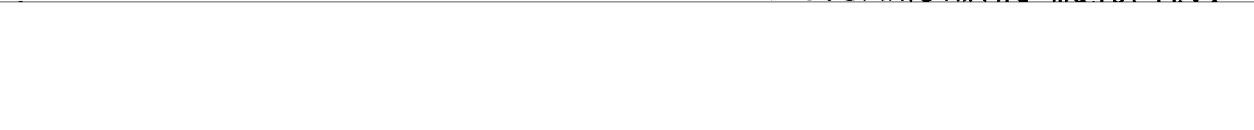
Following a period of consolidation and partial isolation, we believe that even a hardline regime would have to support some of the reforms now urged by Western lenders and the IMF. Even hardliners could not overlook that disastrous domestic mismanagement--not Western economic ties--had led to Yugoslavia's economic problems. A hardline regime might even try to convince potential Western trading partners that its stress on discipline and efficiency was a necessary condition for workable economic reforms. [REDACTED]

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Annex I

The Lessons of Kosovo

In March 1981, alarmed civilian leaders in Belgrade ordered the YPA and special interior ministry strike forces into action against Albanian nationalist demonstrators in the Kosovo Province of Serbia where Albanians constitute the overwhelming majority.



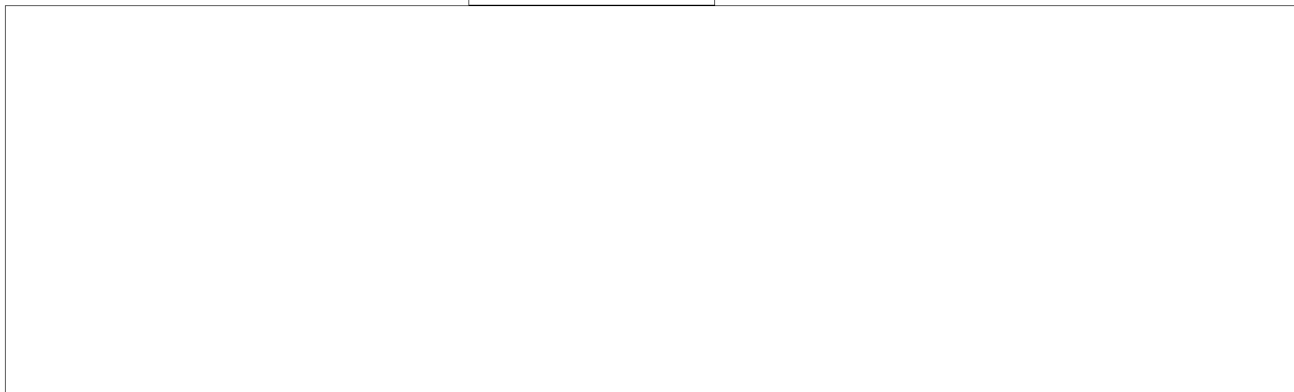
A brief inventory of the military force sent to Kosovo indicates the YPA federal authorities sent more than ample force to the province.

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- Regular army tank, infantry, and parachute units in battalion to brigade strength from Macedonia, Serbia, Slovenia, and Montenegro.
- Three Territorial Defense brigades from Vojvodina, Montenegro, and Macedonia.
- Specially trained civilian police reservists in highly mobile units that specialize in commando-style operations.

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We think that the Kosovo crisis taught Belgrade several lessons:

- The federal leadership can not depend solely on local security forces because the regional police in Kosovo both failed to warn Belgrade about the building unrest and were unable to contain it.
- The federal authorities' decision to act without delay



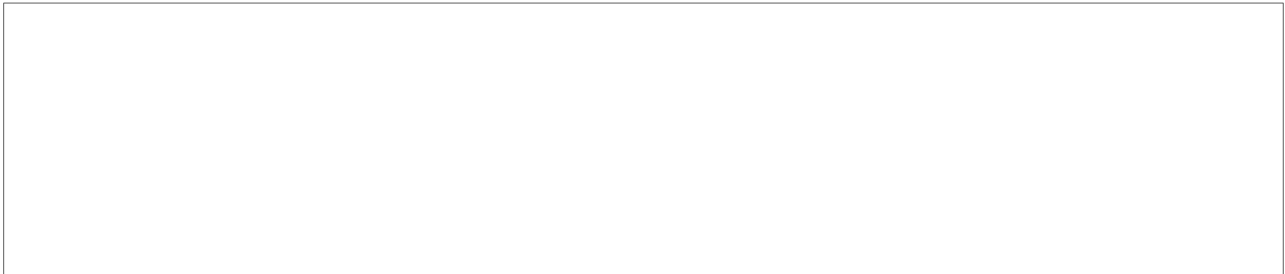
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in committing armed forces was vindicated by the successful outcome.

- The YPA, if at all possible in future instances, should be given a highly visible, but largely deterrent, role in order to minimize aggravation of ethnic tensions.

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Two important aspects of the Kosovo operation are relevant to the country's All Peoples' Defense strategy.

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- Belgrade for the first time mobilized units from other regions to serve in a police action under YPA command.
- The local TDF in Kosovo, although ordered to mobilize, responded slowly and did not function at all until outside armed forces had consolidated the situation.

Hence, the Kosovo experience suggests that All-Peoples' Defense may be effectively mobilized against an internal foe, but it may only perform reliably if used outside its home area. [REDACTED]

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Annex II

Foreign Arms Dependency

Although Yugoslavia's defense industries supply nearly 80 percent of its military needs, Yugoslavia must shop abroad for some of its most sophisticated equipment. Belgrade is trying to mitigate foreign leverage by producing arms on license but its stated goal of self-sufficiency is still illusive. [redacted]

The Soviet Union supplies a substantial portion of this weaponry, most of which goes to the Air and Air Defense Forces (e.g., MIG-21 aircraft, helicopters, and surface-to-air missiles). Belgrade harbors an abiding distrust of Moscow's potential leverage through ancillary arms supply relationships, and thus limits training in the USSR and the exchanges of delegations of technicians to a minimum. And there is no record of the YPA diverting its Western-acquired military technology to the USSR. [redacted]

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The latest major weapons deal with Moscow illustrates the YPA's efforts to reduce the leverage inherent in its continuing dependency on Soviet arms. In March 1983 Belgrade contracted for delivery of 230 T-72 tanks. Belgrade later announced that it would also produce the T-72 under Soviet license, and that these will be offered for sale to Third World countries after five years of production, optimistically expected to begin in 1985. [redacted]

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The YPA has not been able to afford--or obtain for security reasons--the best Western equipment. But the generals still make some small-scale purchases to keep its Western option open, especially in the event of emergency need.

- Belgrade, for example, is still considering production of a US engine and related equipment for its newest supersonic aircraft.
- The project appears to be part of complex "balance" which placates inter-service rivalries--i.e., the new plane for the Air Force, the T-72 tanks for the Army--while dividing major projects between East and West. [redacted]

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Senior YPA procurement officers prefer to build arms on license for several reasons. Domestic production:

- reduces the short-term threat of a cutoff in foreign arms supplies.

- permits economies of scale in production and increases stocks for resale.
- provides the arms industry experience with otherwise unavailable high technology.

The licensing arrangements, however, do not much advance the YPA's ultimate goal self-sufficiency in arms production because it cannot keep ahead of the rapid obsolescence cycle of new military technology. [REDACTED]

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The Political Role of the Yugoslav Military

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